



**BUDGET WORKSHOP MEETING  
AUGUST 26, 2002, AT 6:00 P.M.  
CITY HALL, 116 FIRST STREET,  
NEPTUNE BEACH, FLORIDA**

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Pursuant to proper notice a Budget Workshop Meeting of the City Council of the City of Neptune Beach was held August 26, 2002 at 6:00 p.m., in the Council Chambers, City Hall, 116 First Street, Neptune Beach, Florida.

Attendance:

IN ATTENDANCE:

Mayor Richard A. Brown  
Vice Mayor Robert D. Shimp  
Councilor Ronald D. Patronik  
Councilor Harriet M. Pruette  
City Manager Richard A. Linn  
City Clerk Lisa Volpe, CMC

Director of Finance Steve Ramsey  
Director of Public Services Leon Smith  
Director of Public Safety William Brandt  
Building Official Dan Arlington  
Deputy City Clerk Karla Strait, CMC

Absent:  
Councilor James Gilbert  
City Attorney Christopher White

Call to Order/Roll Call

The Mayor called the meeting to order at 6:00 p.m.

Finance Director Steve Ramsey explained using last years millage rate of 2.64 the previous budget showed a deficit of \$349,669. The revised budget showed a deficit of \$247,889.

The deficit was lower because tourism had picked up and the revenues had increased by \$100,000. The previous budget also showed a 30% increase in insurance cost however the insurance company had offered a different policy that would save the city \$45,000, increasing the co-payment of the employees. The telecommunication tax was also higher.

Mr. Ramsey stated to completely balance the budget the millage rate should be set at 3.2267. If the rate were set at 3.0 the deficit would be \$96,000 and if it were set at 3.05 the deficit would be \$75,000.

Councilor Pruette stated 2001/2002 was the first year the city had to dip into the reserves because of September 11th. She felt the millage rate should be raised no higher than 2.84. She added that with the increase in property values the revenue would be higher.

Vice Mayor Shimp stated he had not received any telephone calls from citizens regarding the proposed not to exceed millage rate of 3.5. He would compromise and raise the millage rate to 3.2267 if the city would run a balanced budget.

Mayor Brown felt the realistic choice would be to set the millage rate at 3.2267 balancing the budget without dipping into the reserves.

Mr. Ramsey stated the reserves in the general fund were currently approximately \$2,000,000. This year the city would go into the reserves for \$300,000 because the market had fallen and the city was required by state law to fund the Police Officers Retirement Fund.

Mr. Ramsey stated the public hearing for the first reading of the ordinance setting the millage rate, the budget, and this year's budget amendment would be held September 5, 2002. The second reading would be held at a special meeting before the workshop meeting September 16, 2002.

City Manager Linn stated he was negotiating a new franchise fee with Jacksonville Beach Electric and felt the revenue would be higher this year. He added a grant from the Department of Transportation in the amount of \$4,000 for the Mayport Flyover was not reflected in the budget.

Mayor Brown recommended setting the millage rate to 3.2.

Councilor Patronik questioned the \$2,800 for a personal computer budgeted for community development. Building Official Arlington stated the computer would have to be compatible with graphics but would most likely cost less than the \$2,800.

For the Record Vice Mayor Shimp stated at the Florida League of Cities Conference he spoke with a vendor that would take over the building department for 90% of the permit fees and the city would only have to provide office space and a phone line.

Councilor Patronik questioned Chief Brandt regarding \$83,000 that was budgeted for police vehicles. Chief Brandt responded it was for fully equipped vehicles.

Councilor Pruette questioned City Manager Linn regarding the 900% increase in overtime in his department and if there was a way to avoid some of the overtime. City Manager Linn responded he could decrease the amount of meetings his assistant attended.

Councilor Patronik questioned Director of Public Services Leon Smith regarding the \$23,000 budgeted for a pick up truck. Mr. Smith responded he had several trucks that were over ten years old and the new pick up would replace a 1985 model.

Mayor Brown commented the rate of 3.2 was below the advertised not to exceed rate of 3.5. He felt the citizens had not responded negatively to the advertised proposed rate of 3.5 because they knew the city had held the taxes down in the past and they wanted to maintain the level of service.

Consensus: **TO SET THE MILLAGE RATE AT 3.2.**

Adjournment

There being no further business, the meeting adjourned at 6:38 p.m.

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Richard A. Brown, Mayor

ATTEST:

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Lisa Volpe, CMC, City Clerk

Approved: \_\_\_\_\_